AMENDED IN ASSEMBLY MAY 25, 2012 AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2641

Introduced by Assembly Member Skinner

February 24, 2012

An act to add Section 12098.6 to the Government Code, relating to nonprofit corporations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2641, as amended, Skinner. Nonprofit corporations: Internet Web site.

Existing law provides for the organization and governance of nonprofit public benefit corporations, nonprofit mutual benefit corporations, and nonprofit religious corporations. Existing law requires these corporations to prepare and file articles of incorporation with the Secretary of State, and within 90 days of that filing, and biennially thereafter, as specified, to file a form prescribed by the secretary stating specified information regarding certain officers, office location, and agent for service of process, among other information. Existing law requires a charitable corporation, as defined, to also file periodic written reports with the Attorney General beginning within 4 months and 15 days following the close of the first calendar or fiscal year in which it initially receives property, setting forth information as to the nature of the assets held for charitable purposes and the administration thereof.

This bill would require the Governor's Office of Business and Economic Development to post on its Internet Web site information to assist an individual to start a nonprofit corporation and to assist nonprofit AB 2641 -2-

corporations to achieve compliance with the state's statutory and regulatory requirements. The bill would require a specified state agency that has authority to regulate nonprofit corporations agencies to provide accurate and updated information about—its their requirements, and would prohibit a state agency from using this Internet Web site as the exclusive source of information that it provides to the public. The bill would authorize the office to impose a reasonable fee upon users of the Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12098.6 is added to the Government 2 Code, to read:
- 12098.6. (a) The office shall post all of the necessary information on its Internet Web site to assist an individual to start a nonprofit corporation in this state and to assist a nonprofit
- 6 corporation to achieve compliance with the state's statutory and
- 7 regulatory requirements. The Internet Web site shall contain
- 8 information on the incorporation, registration, and renewal
- 9 requirements of state agencies, and shall include, but not be limited to, information that does all of the following *agencies*:
- 11 (1) The Employment Development Department.
- 12 (2) The Franchise Tax Board.

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- 13 (3) The Internal Revenue Service.
- 14 (4) The Office of the Attorney General.
- 15 (5) The Office of the Secretary of the State.
- 16 (6) The State Board of Equalization.
- 17 *(b)* The Internet Web site shall include, but not be limited to, 18 information that does all of the following:
 - (1) Assists individuals with identifying all state forms or documents they may need.
 - (2) Provides *direct links to* an electronic copy of all state forms and documents available for download.
 - (3) Instructs individuals on how and where to submit all state forms and documents.
- 25 (4) Assists nonprofit corporations with identifying the state's statutory and regulatory requirements they must comply with to maintain their status as a nonprofit corporation in this state.

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(5) Informs individuals to contact local agencies regarding 2 local requirements.

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(c) The office shall ensure that the Internet Web site is user friendly and provides accurate and updated information.

- (d) (1) Each state agency that has authority to regulate nonprofit corporations under subdivision (a) shall provide the office with accurate and updated information about its requirements. The office shall be responsible for maintaining updated information on the requirements of the Internal Revenue Service. The office may refer individuals to the California Tax Service Center Internet Web site.
- (2) A state agency shall not use the Internet Web site established under this section as the exclusive source of information that it provides to the public on its requirements for nonprofit corporations.
- (d) The office may impose a reasonable fee as a condition of accessing information on the Internet Web site established under this section.